

Air

7 October 1949

Chief of Station, Karlsruhe

MGL-A-536

1. Military, Economic and Political Information in the Satu Mare, Timisoara and Sighet areas of Rumania, with lines running into the Carpatho-Ukraine (USSR).

2. Rumania and Carpatho-Ukraine.

3. (Information on #6500^{ad}, "OTTO" (cover name) who directs "TRAJAN" will be sent soon.)

a. "TRAJAN" #19 050, leader of this connection for Org. 13. Subject is a 35-year old Rumanian (Mazedorumaene) teacher. He attended the Rumanian Mittelschule in Greece and then went to (See Para. 3a, MGL-A-536). In 1934 he was given instruction for three months by the (See Para. 3b, MGL-A-536) on requirements of political intelligence. In 1937 he took a three months course in military intelligence with the General Staff in Bucharest. Until 1941 he worked for the (See Para. 3c, MGL-A-536) as head of the political net with the Macedo-Rumanian minorities and simultaneously was working for the (See Para. 3d, MGL-A-536). He is an activist of a Rumanian (aromaenisch) minority group. After 1942 he had a connection to the counterintelligence of the Oberkommando Der Wehrmacht on questions involving minority groups. In 1943 he became political specialist for a volunteer group in Greece (identity not given). In 1944 and 1945 he was entrusted with special agent commitments.

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in Greece. He then withdrew from active work and lived in retirement until 1947 when he was recruited by ODEUM. He travels now at times to Rumania. He has no contact with any other intelligence agencies or groups interested in this work. Subject is said to be one of the best intelligence men in southeast Europe. From December 1947 until June 1948 and from October 1948 until December 1948 subject was in Rumania for ODEUM. He lives in Austria.

- b. "PETRE" #19 130. ⁴⁰ Leader of the net. Living in Rumania. Graduated from Technical Universities in Rumania and outside the country. Subject is now working as a (See Para. 1a, MGL-A-536) in Rumania. He speaks Hungarian, Polish, German and Rumania. He is well acquainted with Rumania, Hungaria and the Carpatho-Ukraine. He is a friend of "TRAJAN", who considers him energetic, clever, an idealistic patriot and a good organizer. He works directly for #19 050 who has given him instruction in intelligence, counterintelligence and secret writing. #19 050 in turn works directly for #6500, an as yet unidentified staff officer with Organization 13. Subject has already arranged the following: four support points (Stuetzpuenkte) in northwest Rumania, decided on people to be approached in his area of operations, recruited the man to lead the Stuetzpuenkte, and built up a courier net which terminates in Papa, Hungaria (see attached chart). Later he is to build other support points and courier routes and will train radio operators.
- c. "ANTON" #19 131. ⁶¹ Deputy leader of the net. 47-year old Rumanian living in Rumania. Hochschule education in Rumania and abroad. Reserve Officer. He was recruited by the organization late in 1948. Subject speaks Rumanian, Hungarian and Slovakian, and knows the Carpatho-Ukraine well, also north Rumania, Hungary and Slovakia. Subject has a large circle of friends and acquaintances stemming from his days as a lawyer and officer. He is deemed trustworthy and discreet. (See Para 1b, MGL-A-536.
- d. "MARCU" #19 132. ⁴⁵ 49-year old Rumanian industrial engineer now living in Rumania. He studied at a technical university in Rumania and in similar schools abroad. Reserve Officer of the Rumanian Reserve (Pioneer). Subject speaks Rumanian, Hungarian, French and German, and is well acquainted with Rumanian and Hungarian territory and affairs. His character and reputation were indirectly checked by "TRAJAN" and he is considered a valuable co-worker who is discreet. He has been assigned particularly to the Rumanian armament industry and transport system, which he will reach through the agents working for him.

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- e. "GEORGE" 19133, 38-year old Rumanian. (See Para 1c, MGL-A-536). Comes into frequent contact with sporting and military circles through his own interest in sports. Volks- and Mittelschule and then went to a trade school. He is considered more able than his educational level would seem to suggest. Military information on Soviet and Rumanian troops is his main task. He was a non-commissioned officer in the Rumanian Army and was trained as a radio man for the artillery. Speaks Rumanian and some Russian. Subject lives in Rumania.
 - f. "MITICA" #19 134. Former Rumanian Reserve Officer. 36 years old. Attended a Handelshochschule. He speaks Rumanian, Greek, Serbian and Bulgarian, and knows Rumania, Serbia and Greece. Subject is involved with labor unions and through these has widespread connections. He is a strong nationalist, thoroughly intelligent and discreet. He will concentrate on industrial production information and transport matters in Rumania. Subject lives in Rumania. (See Para. 1d, MGL-A-536).
 - g. "GOGU", #19 135. Reserve officer of the Rumanian army. 33 years old. (See Para. 1e, MGL-A-536). Speaks Rumanian, Ukrainian, and Russian, and is familiar with all of Rumania and the Carpatho-Ukraine. In spite of his youth he is highly thought of by the rest of this group. Subject has contacts with the Carpatho-Ukraine which he can exploit. He lives in Rumania.
 - h. Hungarian, RR worker. 40 years old. Speaks Hungarian, Rumanian and Czech. He is considered completely reliable and careful. Married to a Rumanian. Went to professional schools in Cluj and Medias. (See Para. 1f, MGL-A-536). Courier.
 - i. Hungarian born in Rumania. 42 years. Attended Mittel- and Hochschule in Rumania. Until 1943 reserve officer in the Rumanian Army. Speaks Hungarian, French, Rumanian. Knows west Rumania and Hungary. Is also considered to be trustworthy by the organization which made him available for this work. (See Para. 1g, MGL-A-536). Courier.
- (MARCUS, GEORGE, MITICA and GOGU each have one subsource which appear only in Para. 6. Nothing further is known about them at present.)
4. The control factors in this operation are as follows:
- TRAJAN is considered to be an absolutely trustworthy Rumanian Nationalist with no ties to other intelligence groups. He has proved himself to the organization by the results of the two

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4. (contd)

extended stays he has already made in Rumania. Nothing is known about his family, but if he has one, it presumably lives in the west with him.

PETRE is said to be an idealistic Rumanian patriot. He works directly for TRAJAN and #6500, the leader of the Rumanian group for Organization 13.

ANTON is run by PETRE. No details on the control factors are known in his case, except that he is considered trustworthy and discreet.

MARCU's character and reputation have been checked by TRAJAN who found everything apparently in order and considers him a reliable and discreet person. He was recruited by TRAJAN and PETRE.

GEORGE is under the direction of PETRE who is directed in turn by #6500 and TRAJAN. No details on control factors.

MITICA is an ardent Nationalist, extremely intelligent and discreet. He is run by PETRE who in turn is directed by #6500 and TRAJAN.

GOGU is considered an ardent patriot, unusually active and fearless. He is run by PETRE who is directed by #6500 and TRAJAN.

(Note: the above people, all of whom live in Rumania except for TRAJAN, are known to be anti-bolsheviks and opponents of the Soviet regime in Rumania.)

Contact is to be through a letter sent once a month to the "Endbriefkasten" (see attached sketch). From there to cover addresses in Austria. Secret ink is the medium. Meetings also take place between the personnel involved in Rumania. In case of need, TRAJAN can also go to Rumania.

For courier and supply routes, see attached sketch. Courier traffic is expected every two weeks.

5. Cover for the past or future visits in Rumania as well as the Austrian cover of TRAJAN are not known.

PETRE is amply covered by his official position and has legal papers. He knows TRAJAN, ANTON, MARCU, GEORGE, MITICA and GOGU. He knows that the group is to provide intelligence for the U.S., but has no further knowledge.

ANTON is well covered by his regular position (See Para.1b,

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MGL-A-536). He has legal papers and lives as a citizen of the country. He knows PETRE, MARCU, GEORGE, MITICA and GOGU. His knowledge of the organization is the same as PETRE's.

MARCU is covered by his regular position. He has legal papers as a resident of the country. He knows PETRE, TRAJAN and ANTON and knows the aims of the organization, but has no information on the circumstances (it is not clear whether this refers to U.S. participation).

GEORGE knows TRAJAN, PETRE and ANTON. His job provides good cover and he has the legal papers of a Rumanian citizen. He knows TRAJAN, PETRE and ANTON. His knowledge of the organization is the same as MARCU's.

MITICA is well covered by his regular position and can travel freely without attracting attention. He knows TRAJAN, PETRE and ANTON and has the same knowledge of the organization as MARCU.

GOGU has a job which provides good cover and allows him to travel freely. Regular documentation as a Rumanian citizen. He knows TRAJAN, PETRE and ANTON and has the same knowledge of the organization as MARCU.

6. a. None.

b. None.

c. PETRE	\$50
ANTON	50
MARCU	75
GEORGE	75
MITICA	75
GOGU	75
Subsource of MARCU	80
Subsource of GEORGE	80
Subsource of MITICA	80
Subsource of GOGU	100

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d. Travel and expenses for the six agents - \$400 per month.

e. Costs of the courier route (see attached sketch) are given as follows:

Clandestine Channel (Schleuse) Vienna . .	\$40
Points A and B	60
Points C and D	90

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6 e. (contd)

Person E	\$100
Person F	100
Points G and H	70
Points I and K	80
Endbriefkasten (final letter box). . .	30 (expenses)
Channel to Endbriefkasten	20 (expenses)

Total cost per month \$1,730.00

f. No estimates given for these contingencies.

g. None claimed but it must be assumed until further details are given that we have a minimum responsibility for these members of this group proved to have been working in good faith who get into difficulties. Suggest DM 100 to 150 per month for three months and help in resettlement (as political refugees if possible and if desired).

7. During TRAJAN's two trips to Rumania in 1947 and 1948 he contacted the leaders of the Rumanian group PAPANACE/GROZEA intending to interest them in intelligence work for ODEUM. He had no success during his first visit during the winter of 1947/48 and it was only later after lengthy conversations during his second trip that he was able to convince these men that their duty and advantage lay in helping the West to form as accurate as possible a picture of Rumania.

The following description of this Rumanian group was submitted with this project:

Until 1946 the various political parties in Rumania were primarily interested in their party politics. Later traditional party interests were subordinated to the overall national interest. Two factors brought this about: the increasing Communist pressure limited party activities, and it was realized that no western support for the democratic parties could be expected in the foreseeable future. This development led to a rapprochement of the best forces of the different parties and out of their conferences came what they consider the most promising tactics to combat the Soviet plan to bolshevize Rumania for political and military reasons. They decided to remain in the country to work for the democratic future, but not to sacrifice lives in a futile effort to actively oppose the Communists. Instead they determined to carry out these steps: Phase #1. Infiltration of the Communist Party, in particular the youth and labor elements in order to keep contact with the masses and, above all, to influence those party members who joined only to insure their existence. This phase has been completed. Phase #2. Infiltration of the army in

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anticipation of a possible war. Conversations which VISCHINSKI had with authorities of the Rumanian Army from 29 April to 1 May in 1948 in which it was decided that the Rumanian Army in case of war would be split up into small contingents assigned to Soviet units outside of Rumania, gave this infiltration plan great impetus when it became known. Small cadres were built in the Rumanian Army whose task it would be in the event of war to arrange for the defection of Rumanian units as soon as they had a common front with Western troops. Phase #3. If Russia should decide to withdraw from Rumania of her own accord (a solution which is highly improbable, but must be taken into consideration) the Nationalist elements which have managed to infiltrate the Communist ranks would, at least at first, be in a position to take necessary action against the Communist leadership and preserve order.

The PAPANACE/GROZEA group resolved to observe the following tactical rules: complete separation from any active resistance elements, from various groups in exile in the West, and from any tie with western agents operating inside Rumania. They also resolved to have no contact with any western missions in Rumania. TRAJAN was able to convince the leaders of this group that they must establish contact with western intelligence agents if they were to enable the West to plan counter moves to the Soviet offensive. The Rumanian group insisted on several security measures to be followed, including a complete separation of the intelligence part of the show from their regularly functioning elements, the gradual and step-by-step erection of the structure starting in the western areas of Rumania and gradually embracing the entire state. TRAJAN talked over details of this plan with group leaders of the PAPANACE/GROZEA movement during his second trip to Rumania in the autumn of 1948. A three-group system (Dreiergruppen-System) was decided on. TRAJAN met the regional leaders separately to arrange this, gave them written instructions and taught them secret ink systems and other details of intelligence work.

The broad basis provided by this PAPANACE/GROZEA group offers an unlimited possibility for expansion of this information service.

Note: TRAJAN is also the head of the chains appearing in Projects 114 and 115. Personnel for these chains likewise belonged to groups working more or less closely with PAPANACE/GROZEA nationalist groups.

Opinion of the ODEUM staff member responsible for projects:

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In this project the same circles will be exploited in the same way as in projects 114 and 115. Danger of too great expansion provided by the existence of almost unlimited personnel available has been avoided by a wise limitation of the number to be used.

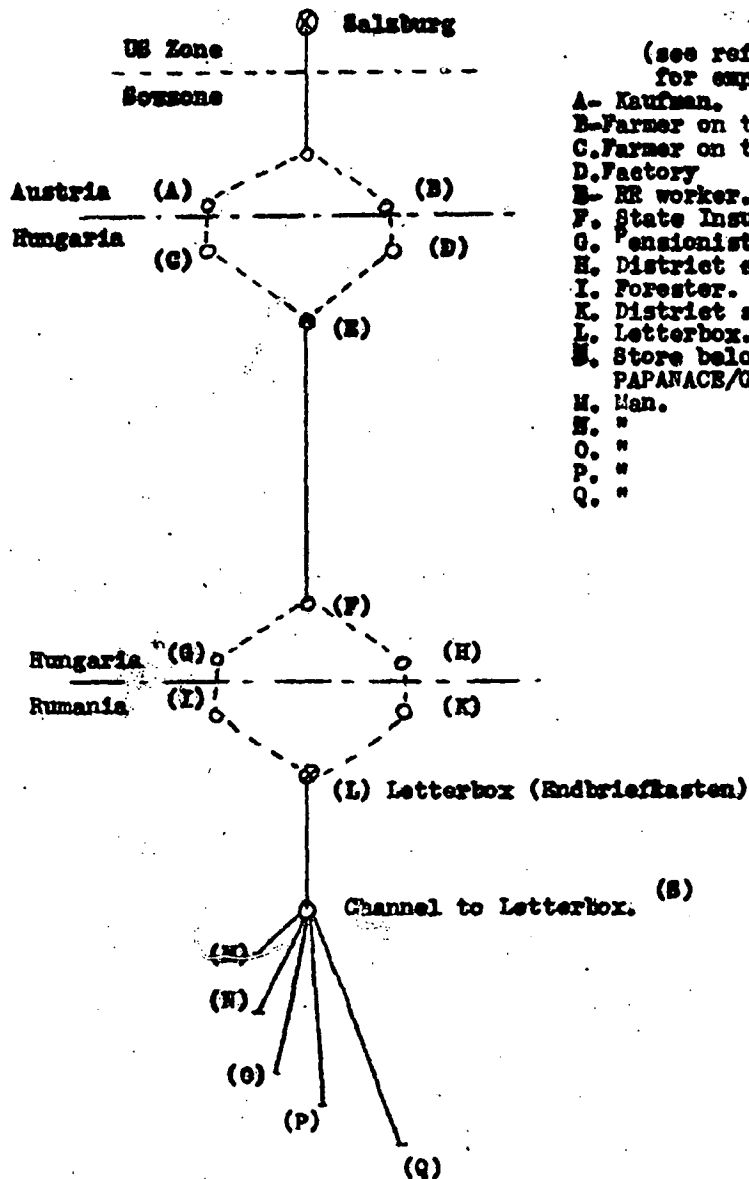
Of particular interest is the planned attempt to penetrate the Carpatho-Ukraine region of the USSR.

It is recommended that a trial period of six months be approved for this project in view of the distances to the areas involved and the difficulties of the courier route which is made unusually trying by the sharpened security measures introduced on the Austro-Hungarian border.

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(see reference memo para 2, for explanation of below.)

- A- Kaufman.
- B- Farmer on the border.
- C- Farmer on the border.
- D- Factory
- E- RR worker.
- F- State Insurance Official.
- G- Pensionist.
- H- District secretary.
- I- Forester.
- K- District secretary.
- L- Letterbox. Rumanian teacher.
- M- Store belonging to member of PAPANACE/GROZEA org.
- N- Man.
- O- "
- P- "
- Q- "

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